

Message Text

UNCLASSIFIED

PAGE 01 BOGOTA 02886 292047Z
ACTION XMB-04

INFO OCT-01 ARA-14 ISO-00 EB-08 TRSE-00 L-03 /030 W
-----027775 300807Z /65

R 291746Z MAR 78
FM AMEMBASSY BOGOTA
TO SECSTATE WASHDC 7144

UNCLAS BOGOTA 2886

E.O. 11652: N/A
TAGS: BPRO, CO
SUBJ: EXEMPTION OF EXIMBANK RELATED TRANSACTIONS FROM CENTRAL
BANK RESERVE REQUIREMENT

REF: STATE 073751

1. THE PROVISIONS OF COLOMBIAN LAW THAT EXEMPT EXIMBANK FROM PAYING WITHHOLDING TAX ARE CITED BELOW, ALONG WITH AN UNOFFICIAL TRANSLATION.
2. EXIMBANK LINES OF CREDIT TO BANKS ARE NOT, REPEAT NOT, EXEMPT FROM RESERVE REQUIREMENTS BECAUSE SUCH LINES WHEN DRAWN UPON CREATE FOREIGN CURRENCY LIABILITIES. DIRECT LOANS TO A NON-BANK BORROWER, WOULD NOT BE SUBJECT TO RESERVE REQUIREMENTS OR WITHHOLDING TAXES.
3. DECRETO LEGISLATIVO NO. 2366 DE 1974 (OCTUBRE 31)
ARTICULO DECIMO. - NO SE ENTIENDEN POSEIDOS EN COLOMBIA NI GENERAN RENTA DE FUENTE DENTRO DEL PAIS, LOS CREDITOS TRANSITORIOS O A CORTO PLAZO ORIGINADOS EN LA IMPORTACION DE MERCANCIAS Y EN SOBREGIROS O DESCUBIERTOS BANCARIOS, LOS CREDITOS DESTINADOS A LA FINANCIACION O PRE-FINANCIACION DE EXPORTACIONES, NI LOS SENALADOS EN EL ARTICULO 128 DEL DECRETO 444 DE 1967, SIEMPRE QUE SE AJUSTEN A LAS CONDICIONES Y REQUISITOS QUE ESTABLEZCA LA JUNTA MONETARIA. QUIENES EFECTUAREN PAGOS O ABONOS EN CUENTA POR CONCEPTO

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DE INTERESES ORIGINADOS EN TALES CREDITOS, NO ESTAN OBLIGADOS A HACER RETENCION EN LA FUENTE.
DECRETO TRANSCRITO EN REVISTA DEL BANCO DE LA REPUBLICA OCT. 1974.
DECRETO 444 DE 1967 (MARZO 22).
ARTICULO 128. - LOS PRESTAMOS EXTERNOS QUE OBTENGAN LAS PERSONAS NATURALES O JURIDICAS RESIDENTES EN COLOMBIA PARA

INVERSIONES O GASTOS EN EL PAIS DEBERAN REGISTRARSE EN LA OFICINA DE CAMBIOS. ESTA HARA EL REGISTRO, PREVIA LA COMPROBACION DEL OTORGAMIENTO DEL PRESTAMO Y SIEMPRE QUE SE REUNAN LAS CONDICIONES ESTABLECIDAS POR LA JUNTA MONETARIA CONFORME A ESTA SECCION.

4. UNOFFICIAL TRANSLATION

DECREE NO. 2366, 1974 (OCTOBER 31)

ARTICLE 10. TRANSITORY OR SHORT TERM CREDITS ORIGINATED IN THE IMPORTING OF MERCHANDISE OR IN BANK OVERDRAFTS, CREDITS DIRECTED TO THE FINANCING OR PREFINANCING OF EXPORTS, AND THOSE MENTIONED IN ARTICLE 128 OF DECREE 444, 1967, SHALL NOT BE REGARDED AS BEING HELD IN COLOMBIA AND, HENCE, THEY SHALL NOT GENERATE LOCAL-SOURCE INCOME, PROVIDED THEY MEET THE CONDITIONS AND REQUIREMENTS ESTABLISHED BY THE MONETARY BOARD. THOSE WHO PAY OR CREDIT ON ACCOUNT INTERESTS ORIGINATED IN SAID CREDITS ARE NOT BOUND TO PAY WITHHOLDING TAX.

DECREE 444, 1967, (MARCH 22)

ARTICLE 128.- FOREIGN LOANS OBTAINED BY NATURAL OF JURIDICAL PERSONS RESIDENT IN COLOMBIA FOR INVESTMENT OR EXPENSES IN THE COUNTRY MUST BE REGISTERED IN THE EXCHANGE OFFICE. REGISTRATION WILL BE EFFECTED UPON PROOF THAT THE LOAN HAS BEEN GRANTED AND THAT THE CONDITIONS ESTABLISHED BY THE MONETARY BOARD HAVE BEEN MET.

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Message Attributes

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Draft Date: 29 mar 1978
Decaption Date: 01 jan 1960
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Disposition Action: n/a
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Disposition Remarks:
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TAGS: BPRO, CO
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